



Throughout the years, innovation has been the marketing engine that leads the Lily brand in the toilet paper category. The launching of the brand's soft toilet paper was a global success, changing consumer behavior in Israel

Lily, Hogla Kimberly's premium brand, is the leading brand in the toilet paper market in Israel, capturing a 35% share of the market. Lily is also the best loved toilet paper brand in Israel, with every third customer indicating an emotional connection to the brand. As such, Lily constantly searches for the next breakthrough in order to provide consumers with a hygienic experience that is softer, more pleasant and more comfortable.

The Brand's Marketing History

2002-2004 - Launch of the Lily Puppy – In 2002, Hogla Kimberly decided to launch under the Lily brand the adorable puppy that accurately and pleasantly broadcasts the Lily brand values, topped by the value of softness and pampering.

In addition to reinforcing the brand values, the Puppy, which is exclusively identified with the brand, is also the basis for the emotional bond with the consumers. The launch of the Puppy was accompanied by a technological breakthrough that allowed the toilet paper to achieve a degree of softness unprecedented on the market, and a possibility to imprint the Puppy figure on it. The product was launched under the slogan: "Lily. The softest there is".

2004-2009 - Empowering the softness experience – Over the years, the softness value has comprised the

spearhead of Lily's marketing strategy, based on the realization that this was an extremely important parameter for consumers. Lily essentially took ownership of the softness territory, focusing its innovative strategy on the creation of benefits that accompanied softness and reinforced its position not only as "the softest toilet paper there is" but also as a high quality paper. The values of quality, luxury and softness were made assets through media and experience breakthrough alongside the launches of unique products such as "Lily with the Softener Effect", "Lily Cotton Touch" and "Double Roll Lily".

2010 - Lily Soft & Strong – Eight years after Lily's launch, when the 'softness' value had become a benchmark in the category, Lily looked for additional unsatisfied needs in the category that needed to be fulfilled. Research revealed that consumers wanted toilet paper that was both soft and that would provide safety during use.

An Israeli technological development served as the basis for the launching of Lily Soft & Strong: instead of two-ply toilet paper made of two soft layers, a toilet paper was developed in which one layer was particularly soft and the upper layer was stronger and more durable.

The Marketing Challenge for 2011-2012

The toilet paper category is saturated and mature, and has been stagnating in terms of quantity. As a market leader, Hogla Kimberly had to continue searching for unsatisfied needs and growth engines either inside or outside the category.

The Creative Solution: The Launching of Moist Lily

Israeli consumers, like most consumers in the Western world, are more sensitive today than ever to maintaining their bodily hygiene and are constantly looking for available, user-friendly solutions that would allow them to increase their sense of personal cleanliness in their daily routine.

Genuine cleanliness of the body, as well as cleanliness in any other area, requires the use of moisture. However, the toilet paper category is traditionally dominated by 'regular' dry paper, that even though it has become softer and far more pleasant over the years, it still is not enough for perfect cleaning.

It is true that many consumers are already using wet wipes used for babies and children to complete the cleaning process but these are not accommodated to the home sewage system.

Following a global trend analysis, Hogla Kimberly learned that moist toilet paper products are an extremely significant growth engine in many Western markets in which Kimberly Clark is operating.

Hogla Kimberly took upon itself the role to educate the Israeli market on the use of moist toilet paper that supplements the cleaning action after regular toilet paper. In the second half of 2011, Moist Lily toilet paper was launched designed to provide a supplementary solution to cleaning following the use of regular toilet paper, or as coined in the Lily language "After the soft toilet paper comes the moist one" to provide perfect cleanliness. Because in order to achieve true cleanliness, some moisture must be used.

Moist Lily flushed down in the toilet and is biodegradable, contains aloe vera and maintains a balanced pH.

In order to provide a solution to various types of needs





www.lily-puppy.co.il



Things You Didn't Know About Lily

- The toilet paper category is the second largest non-food category in Israel.
- The Israeli consumer uses an average of 5 kg of toilet paper per year.
- Lily brand consumers are particularly loyal to the brand: 40% contribute to over 70% of brand sales.
- The Lily Puppy appears on toilet paper packages around the world.
- Only 5 double rolls of Lily toilet paper are required to connect between the roof of the Round Tower at Azrieli to its bottom floor.
- In mature markets around the world, approximately 50% of consumers who try moist toilet paper become regular consumers. In Israel, this number is 75%.

and consumers, the Lily Moist series includes four different products:

Moist Lily Classic – with aloe vera;

Moist Lily Sensitive – scent-free, ideal for people with sensitive skin;

The Economy Package – that includes three Moist Lily packages

Moist Lily Kids – a new product in the series that was launched this year and adapted to children's skin.

One of the challenges identified in Israel was the transformation of Moist Lily into a product that is part of the consumers' daily routine.

The launch of the new product was therefore supported by an extensive television campaign, a cross-media promotion campaign and an online marketing campaign.

Hogla Kimberly, however, realized that in order to create market education and achieve the desired goal of capturing 20% of Israeli homes, widespread hands-on experience of the new product is needed.

This year, Hogla Kimberly broadened the marketing activities of experiencing the product, spreading the message that if in every situation where

consumers are looking for genuine cleanliness they use moisture, how is it possible that for body hygiene they still use dry solutions.

In a desire to create massive experience with the product, over a quarter of a million sample packages of Moist Lily were distributed, half of which were distributed through sales promotion sent directly to consumers' homes.

This year, Hogla Kimberly sent a luxurious Lily-branded service van to national parks and gardens to introduce consumers to Moist Lily, in situations in which they need them so that they can experience the perfect cleaning that begins with soft toilet paper and ends with moist one, in addition to receiving a sample kit for home.

Results of the Move

At the end of the first five months as of the launch, the Moist Lily series achieved impressive results:

- Doubling of the general category of moist toilet paper in Israel (in terms of price to consumers)
- 75% of category consumers are new consumers who joined



the category following the launch

- 19% penetration in the Israeli market (with the primary target being a 20% penetration rate over two years). This statistic is not far from the global benchmark in mature markets, which hovers around an average 25%.
- 78% of consumers who tried Lily Moist declared that they would regularly use the product.



2002
The Lily Puppy 'immigrates' to Israel.

2004
Lily Cotton Touch is launched.

2007
Lily Conditioner Effect and Easy-Open Package are launched.

2008
Lily introduces the double roll.

2010
Lily launches Soft & Strong.

2011
Hogla Kimberly launches the Moist Lily series.

2012
Launch of Moist Lily Kids